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Diplomatic Security Halts Massive Visa Fraud Scheme

The Diplomatic Security Visa Fraud Branch launched an investigation of a visas-for-bribes scheme operating out of the U.S. consulate in Nuevo Laredo, Mexico, in June 2002. Initial reports indicated that a civil service visa adjudicator, Miguel Partida, had issued approximately 70 fraudulent visas to prior refused applicants, criminally deported aliens, and out-of-district applicants during outreach trips to Mexico in March 2002. Over the next 7 months, Diplomatic Security investigators attempted to uncover the extent to which this scheme had spread internally. For all DS knew, as one of the targeted visa brokers stated, "Almost everyone in the consulate is involved." While this statement turned out to be an exaggeration, investigators were nonetheless determined to discover every individual involved in this extensive conspiracy at one of the busiest consulates in the world.

In the early stages of the investigation, Diplomatic Security agents located and interviewed several of the Mexican visa recipients. All independently acknowledged that unidentified visa brokers recruited them. Recipients paid between \$500 and \$3,500 U.S. to obtain their visas—all of which were adjudicated by Partida. Investigators also learned that three Foreign Service National (FSN) employees—Benjamin Ayala, Sergio Ochoa, and Ramon Torres—accompanied Partida on the outreach trip and had connections to local visa brokers.

Diplomatic Security conducted an undercover operation utilizing confidential informants and targeting a visa broker who claimed to have connections inside the consulate. Marga Martinez, the broker, openly bragged to the informant that her source inside the consulate could easily obtain a visa for anyone. However before subsequent undercover operations targeting other brokers could begin, several consulate employees were tipped off, and the operation was suspended.

For the next 3 months, Diplomatic Security agents planned and prepared for a major investigative assault targeting consulate support staff and numerous external vendors. First, DS visa fraud agents initiated a ruse luring Partida to Washington to attend, ironically, a fraud prevention seminar at the State Department's National Foreign Affairs Training Center. When Partida arrived for the first day of the seminar, DS agents confronted and interviewed him. After initial reluctance, Partida realized the overwhelming amount of evidence against him and implicated himself and other FSNs in the conspiracy. He was subsequently arrested.

Two days later, more than 50 DS agents, analysts, and computer forensic specialists descended on the Nuevo Laredo/Laredo border area and prepared for the second phase of the operation. However, Nuevo Laredo is a highly

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dangerous place. It is common for the state police and local gangs to exchange gunfire and for people to be kidnapped in broad daylight. Therefore, Diplomatic Security set up a command post at the local U.S. Attorney's Office across the border in Laredo, Texas, where they coordinated with the Department of Justice's Public Integrity and Domestic Security Sections on search, interview, and arrest plans.

Multiple Diplomatic Security teams conducted interviews of approximately 45 consulate employees. In these interviews, three suspected FSN employees (Ayala, Ochoa, and Torres) confessed to receiving money from visa broker Marga Martinez in exchange for facilitating the issuance process for otherwise unqualified visa applicants. All three were subsequently arrested, and Martinez was eventually located and arrested.

During this phase of the operation, the Department halted all operations at the consulate, shutting its doors as Diplomatic Security and the Bureau of Consular Affairs conducted a damage assessment of the consular section. Additionally, the entire local guard staff was terminated as investigators uncovered widespread corruption and involvement in the conspiracy. Finally, after interviews at the consulate, approximately eight other FSN

employees were placed on administrative leave or fired due to alleged connection to the visas-for-bribes scheme.

As a result of this investigation—dubbed Operation Smiley Face because recipients received their visas in envelopes marked in code with a smiley face—Partida, Ayala, Ochoa, and Torres were indicted and pled guilty to conspiracy to commit visa fraud. Sentencing is scheduled for June, and all four defendants face a maximum of 10 years in prison. Marga Martinez also pled guilty to conspiracy to commit visa fraud. She will face the same prison terms as the other defendants when she is sentenced in July.

Operation Smiley Face highlights the evolving significance of Diplomatic Security investigations. Visa fraud represents a growing threat to our national security, as some of the illegal recipients may be experienced criminals or linked to terrorism. While Diplomatic Security has the statutory authority to investigate visa fraud, this operation also demonstrates its superb ability to conduct and coordinate massive investigations on an international stage. In the wake of September 11, Diplomatic Security will continue to play a key role in safeguarding our national security by stopping travel document fraud schemes. 